4. (NEW) The resin bonded rare earth magnet according to claim 3, wherein the filling material smooths the depressions on the magnet body.

5. (NEW) The resin bonded rare earth magnet according to claim 3, wherein the synthetic resin coat is a corrosion inhibiting coat.

REMARKS

INTRODUCTION:

In accordance with the foregoing, the specification and claims 1-2 have been amended, and new claims 3 and 4 have been added. Claims 1-4 are pending and under consideration.

OBJECTION TO THE SPECIFICATION:

The Specification was objected to for the reasons set forth in item 2 of the Office Action. It is respectfully submitted that the above amendments to the Specification overcome the Objections.

REJECTIONS UNDER 35 U.S.C. § 102:

Claims 1-2 are rejected under 35 U.S.C. 102(b) as being anticipated by Sagawa et al. (U.S. 5,273,782).

Claim 1 recites "a corrosion inhibiting coat made from a synthetic resin applied to the surface of said magnet." Thus, the surface of the magnet is comprised of a synthetic resin coat.

In contrast, Sagawa et al. discloses a work piece coated with resin, and then coated with a compacted powder layer. This feature is illustrated in FIGS. 18, 19, and 20 of Sagawa et al. Thus, the surface of the structure of Sagawa et al. is not comprised of a synthetic resin layer.

Accordingly, claim 1, and claim 2 depending therefrom, are distinguishable from Sagawa et al.

REJECTIONS UNDER 35 U.S.C. § 103:

Claims 1-2 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sagawa et al. in view of Strnat (U.S. 3,998,669). Claims 1-2 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kurosawa et al (U.S. 6,211,584) in view of the admitted prior art and further in view of Strnat (U.S. 3,998,669).

As discussed above, Sagawa et al. does not disclose a corrosion inhibiting coat made from a synthetic resin applied to the surface of said magnet. It is respectfully submitted that Strnat does not overcome this deficiency in Sagawa et al., and is not relied upon by the Examiner for this purpose. Instead, the Examiner relies upon Strnat as disclosing limiting the particle size of the metal alloy powder and filler material. Similarly, Kurosawa et al. does not disclose the claimed synthetic resin coat, and is not relied upon by the Examiner as disclosing this feature.

Based on the above, claim 1, and claim 2 depending therefrom, are patentable over the Examiner's cited references.

NEW CLAIMS:

New independent claim 3 is added and recites "a synthetic resin coat applied to an outer surface of said magnet body." Accordingly, independent claim 3, and claims 4-5 depending therefrom, are patentable over the Examiner's cited references.

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

STAAS & HALSEY LLP

Date: _____ By: _____

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CERTIFICATE UNDER 37 CFR 1.8(a)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, Washington, D.C. 20231

on December 17, 2001

STAAS & HALSEY

By: [signature]

Date: 12/17/01

VERSION WITH MARKINGS TO SHOW CHANGES MADE

IN THE SPECIFICATION:

Please **AMEND** the Heading at page 5, line 12, with the following:

"DETAILED DESCRIPTION OF THE [INVENTION] SEVERAL VIEWS OF THE DRAWINGS"

Please start a new page at page 15, line 14, before "What we claimed is:".

Please amend new page 16 with:

"What [we claimed] is claimed is:".

IN THE CLAIMS:

Please **AMEND** the following claims 1 and 2 in accordance with the following:

1[,]. (ONCE AMENDED) A resin bonded rare earth magnet, compression molded from a rare earth-transition metal alloy powder and a thermosetting resin, comprising:

a magnet body comprising a mixture of the thermosetting resin and the rare earth-transition metal alloy powder with a particle size of between 20 and 300 microns;

a filling material with a particle size between 0.1 and 15 microns [which is] used to fill in [the] depressions on a [the] surface of said magnet and [is then] fixed with said thermosetting resin; and

a corrosion inhibiting coat made from a synthetic resin applied to the surface of said magnet which has been rendered smooth by the application of said filling material into the depressions on [its] the surface thereof.

2[,]. (ONCE AMENDED) A resin bonded rare earth magnet according to Claim 1, wherein the corrosion inhibiting coat made from synthetic resin applied to the surface of said magnet has a thickness of between 1 and 30 microns.